

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6933**

**BILL NUMBER:** HB 1245

**NOTE PREPARED:** Jan 5, 2011

**BILL AMENDED:**

**SUBJECT:** Community public water supply systems.

**FIRST AUTHOR:** Rep. Friend

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill requires the Water Pollution Control Board to adopt or amend rules to establish protection zones around community public water supply systems. The rules and related zoning rules must (1) establish a notice and hearing procedure; (2) set forth the contents of a written notice; and (3) establish an enforcement mechanism.

**Effective Date:** July 1, 2011.

**Explanation of State Expenditures:** The Department of Environmental Management (IDEM), which provides administrative support for the board, currently budgets for the adoption or amendment of rules.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** The proposal will increase administrative expenses for local units that seek to establish protection zones around community public water supplies by requiring by rule that local units do the following:

- (1) Provide written notice and an opportunity for hearing to certain persons located within a 5-year time of travel to the community public water supply system.
- (2) Describe the impact that establishment of the protection zone and the construction of the community public water supply system will have on property rights, land, and water located within a 5-year time of travel to the community public water supply system, including restrictions on activities; mandatory remediation and cleanup of discharged or spilled contaminants; potential applicability of federal rules or regulations concerning protection zones and groundwater.
- (3) Establish an enforcement mechanism for a person that is required to, but fails to, comply with

the notice requirements.

The requirements will add administrative expenses to local units. The impact will depend on local action.

Under current law, IDEM must establish and operate a program of education and assistance to local officials in developing and managing well field protection zones. Rules may not restrict any activity by a landowner, a mineral owner, or a mineral leaseholder unless the owner or leaseholder is sent written notice and has an opportunity to be heard.

**Explanation of Local Revenues:**

**State Agencies Affected:** IDEM.

**Local Agencies Affected:** Local units seeking to establish a water protection zone.

**Information Sources:**

**Fiscal Analyst:** Bernadette Bartlett, 317-232-9586.